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## Talking Points For DCI on Iran: Internal Situation

- 1. Ayatollah Khomeini has emphasized twice in the past ten days that Iran is "no longer in a revolutionary situation" and that the regime should concentrate on guaranteeing civil liberties because the opposition has been crushed.
  - -- Senior officials quickly echoed his remarks and announced steps they are taking to implement his guidelines.
- 2. Iranian leaders are seeking to create a sense of stability and progress to strengthen their support among the lower classes.
  - -- They also want to appeal to trained Iranians now reluctant to return to help make economic and social programs work.
  - -- They still are not willing to accept a large-scale influx of foreign experts.
- 3. Tehran has begun extensive efforts to centralize its authority and grapple with economic problems.

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- -- Revolutionary organizations, including the Revolutionary Guard and Courts, formed soon after the clerics took power are being made accountable to the central government. Tehran even appears to be making progress against the endemic Kurdish dissidence in the northwest.
- -- Iran's oil price discounts will help bring in about \$18 billion in 1982 oil revenues--\$6 billion over 1981.

  Production is now nearly 3.0 mbd, almost triple the level a year ago.
- 4. Tehran's success in consolidating its control has depended heavily on Khomeini's ability to sense popular needs and control factional rivalries.
- 5. The ruling clerics realize that arranging Khomeini's succession will be a key test.
  - -- They began the process on 10 December by choosing the 83-man Assembly of clerics who will eventually name his heir.
  - -- Still, personal rivalries for power will persist.
- 6. Substantive divisions, mixed in with the personal rivalries, also could become a source of instability after Khomeini's death.
  - -- These issues now include: land reform, economic planning, nationalization of foreign trade, conduct of the war, export of the revolution, and the implementation of strict adherence to Islamic law.
  - -- So far, the divisions appear to be of degree, rather than kind.

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- 7. No matter who eventually emerges on top, we expect continuing public hostility to the US and efforts to achieve hegemony in the Persian Gulf to be hallmarks of Iranian foreign policy.
  - -- The clerics provide financial and material support and guerrilla training to Arab dissidents from throughout the Gulf region. At the same time, Tehran holds out the prospect of better relations with the smaller Gulf states if they accommodate themselves to Iran.
  - -- Khomeini's hatred for Iraqi President Saddam Hussein will continue to impel Iran to seek his replacement by an Islamic oriented government.
  - -- At the same time, the clerics appear willing to deal economically with the West and to draw closer to Muslim states such as Pakistan and Turkey.
- 8. Soviet-Iranian relations continue to be troubled and are unlikely to improve significantly in the near term.
  - -- The clerics oppose Communist ideology and suspect Moscow's intentions.
  - -- Soviet-Iranian relations are strained by the Soviet presence in Afghanistan, the Iran-Iraq war (including large-scale Soviet resupply of Iraq's armed forces), and by Tehran's crackdown on the local Communist party, the Tudeh.